

APPENDIX B

INSTRUCTIONS TO FUTURES COMMISSION MERCHANTS
AND FOREIGN BROKERS

Assign an account number to each special account reported for the first time on the CFTC series '01 report. (Such account number must not be changed or assigned to any other special account without prior approval of the Commodity Futures Trading Commission.) Complete the Form 102 and transmit it in a sealed envelope marked "CONFIDENTIAL." Use a separate sheet for each account.

If only part of the information requested on this form is available (Items 1 through 5), please insert it and submit the partially completed form to the CFTC on the first day the account appears on the series '01 report. Make a notation that the balance of the information will follow. You are required to follow up immediately with a revised CFTC Form 102 when all the information requested is available.

FOOTNOTES

¹ For the purpose of this notice, an omnibus account is defined as an account carried by an FCM for and in the name of another FCM, exchange member, or foreign broker which consists of the trading positions of two or more persons which are not separately identified. In an omnibus account neither the identity nor number of traders whose positions are represented in the account are disclosed to the FCM carrying the account; nor are the individual positions of a trader identified.

² The amended Forms 40 and 102 are set forth as an appendix to this notice. The Form 40 is required to be filed with the Commission by reporting traders and contains background information on such traders. 17 CFR 18.04 (1977).

³ The Form 102 is required to be filed with the Commission by futures commission merchants and contains account identification information. 17 CFR 17.01 (1977).

⁴ The series '03 reports are required to be filed with the Commission by large traders. A large trader is one who owns or controls a position in any one future of any commodity which equals or exceeds certain levels as set forth in § 15.03(a) of the Commission's regulations. 17 CFR 15.03(a) (1977). Once traders have obtained a reportable position, they must report trades, positions, exchanges of futures for cash, and deliveries on series '03 reports and they must classify such positions as hedging or speculative. 17 CFR 18.00 (1977).

⁵ If these amendments are implemented, foreign brokers will no longer be permitted to have their omnibus accounts carried by an FCM on an undisclosed basis, since full disclosure of the identity of individual customers will be required.

⁶ Passage of the Foreign Sovereign Immunities Act of 1976, Pub. L. No. 94-582 (October 21, 1976), 90 Stat. 2891, et. seq., deals with one of these considerations. That Act basically provides, among other things, that a foreign state, including its agencies or instrumentalities, will not be immune from the jurisdiction of the courts of the United States in any case where the action is based upon commercial activity of a foreign state carried on in the United States, upon an act performed in the United States, in connec-

tion with a commercial activity of a foreign state elsewhere, or upon an act performed outside the United States in connection with a commercial activity of a foreign state elsewhere that causes a direct effort in the United States.

⁷ Since the clearing associations of those two exchanges utilize, and require submission from FCM's of, gross position information to determine margin requirements, it is more convenient for those FCM's who effect transactions on these exchanges to submit similar information for purposes of filing the appropriate series '01 form.

⁸ Similar considerations for the administrative convenience of FCM's attend the requirement to report net positions, since the clearing associations of all exchanges except the New York Mercantile Exchange and Chicago Mercantile Exchange utilize net position information to determine margin requirements. However, even in those cases where a clearing association utilizes and requires submission of net position information, regional office personnel will request gross position information where:

1. The positions are held by one person in more than one account;

2. The positions represent spreads between different contracts in the same commodity; or

3. The positions are those against which delivery notices have been stopped or issued but upon which actual delivery has not been made.

⁹ Although the originating FCM is not required to report gross position information, he must report position information on the appropriate series '01 forms for each one of the accounts which he carries on an omnibus basis through another FCM. 17 CFR 17.00(a) (1977). Generally in such cases the originating FCM reports gross position information for each such account.

¹⁰ See n. 5. supra.

¹¹ Such information is reported by the foreign broker on the appropriate series '01 form.

¹² By way of contrast, domestic FCM's are required under § 17.02(a) (2) to transmit such forms on a daily basis.

[FR Doc. 77-35044 Filed 12-8-77; 8:45 am]

[1505-01]

DEPARTMENT OF LABOR

Employment and Training Administration

[20 CFR Part 640]

STANDARD FOR BENEFIT PAYMENT
PROMPTNESS—UNEMPLOYMENT COM-
PENSATION

Revision of Standard

Correction

In FR Doc. 77-33659, appearing at page 59952 in the issue of Tuesday, November 22, 1977, make the following changes to the table on page 59953:

1. The last two entries for June 30, 1977, under both "Intrastate claims" and "Interstate claims", should be replaced by dashes.

2. The first entry for Mar. 31, 1978, under the heading "Intrastate claims", should read, "83".

[4110-03]

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 101]

[Docket No. 75N-0256]

MISLEADING VIGNETTES

Withdrawal of Proposal and Termination of
Rule Making Procedure

AGENCY: Food and Drug Administration.

ACTION: Termination of proposal.

SUMMARY: The Commissioner of Food and Drugs is withdrawing a proposal to require a labeling disclaimer for vignettes on packaged foods. Comments indicate that such regulation would not be in the consumer's best interest.

EFFECTIVE: December 9, 1977.

FOR FURTHER INFORMATION CON-
TACT:

Howard N. Pippin, Bureau of Foods (HFF-312), Food and Drug Administration, Department of Health, Education, and Welfare, 200 C Street SW., Washington, D.C. 20204, 202-245-3092.

SUPPLEMENTARY INFORMATION: In the FEDERAL REGISTER of June 14, 1974 (39 FR 20888), the Commissioner issued a proposal to require that food labels bearing vignettes depicting food, ingredients, or components not actually in the package bear a statement to that effect. This would have been an amendment to 21 CFR 101.18 (formerly 21 CFR 1.15 prior to recodification published in the FEDERAL REGISTER of March 15, 1977 (42 FR 14302)) that would have extended the same vignette label disclaimer presently required for packaged "main dishes" under 21 CFR 102.28 (formerly 21 CFR 102.12) to all packaged foods.

Forty-five comments were received on this proposal. Four comments specifically